

Written testimony for the Commission on Auto Body Labor Rates

Thankyou for this opportunity to share our rather desperate plight we are facing.

My name is Kathy, my son and I own an independent shop in the tri-state corner of western MA, Precision Autocraft. We have been in business 43 years. We will not be able to continue serving our customers in our area if there is not some immediate intervention with the insurance companies.

We are located within a 10 mile radius of CT and New York where they pay much higher labor rates. How is this acceptable? We all have the same industry costs, increasing prices, and challenges finding and keeping skilled employees that can continue to provide good quality repairs for our mutual customers!.

When my husband was alive, he tried so hard to establish good working relationships with the insurance people, provided good quality service with integrity, and yet, here we are six years later still struggling to get paid for what we do from the insurance companies. We cannot continue to survive as a business with the unfair and sometimes unethical actions of these companies.

Consumers pay their premiums with the assumption that all will be taken care of. They may or may not ever make a claim, but if they do that's when they find out all the things that are not paid for. They also get a sur charge if they are found to be at fault, and the body shops are often at the receiving end of their frustrations.

It is their common practice to constantly chop our repair costs, especially with the labor rate.

There is no negotiation taking place, we are just told "we don't pay for that", and yet in some other states they do. We provide all the photos and invoices they request to prove our work, yet we are expected to continually absorb more costs.

We do more and more administrative work for them at our cost. Many companies do not even want to pay us to clean the car before returning it to the customer!

We don't operate that way; we take pride in helping the consumers and giving them a quality repair.

We need to constantly keep up with the latest technologies. We can't have our skilled A techs's sacrificing their time to in-house train when we don't have the profit to offset that time. "Skilled techs" how can anyone justify the current labor rate in this area for a skilled employee who has invested years of training and improving their trade? This industry needs to offer more competitive wages and that can't happen without fair compensation.

It is becoming a dying trade.

Shops are closing one by one, and there is a solution! Please help make the changes needed to bring back fair business practices by the insurance companies. Our industry will not survive without them.

We would like to know what the plan is when repair shops can't exist any longer?